

to keeping our rural hospitals open and their communities' health care needs served. I hope my colleagues will join me in support of this bill, and I look forward to working with Chairman BAUCUS and other members of the Finance Committee to secure passage of this important bill.

By Mr. VITTER:

S. 1597. A bill to preserve open competition and Federal Government neutrality towards the labor relations of Federal Government contractors on Federal and federally funded construction projects; to the Committee on Homeland Security and Governmental Affairs.

Mr. VITTER. Mr. President, I am pleased to introduce today a bill that would go a long way toward ensuring that Federal contracting remains a process of equal opportunity and open competition. Specifically, my legislation would prohibit the practice of attaching restrictive union-only project labor agreements, or PLAs, to Federal contracts.

In short, any contractor or subcontractor who is bidding on a construction project that includes a union-only PLA must agree to recognize unions as the representatives of the employees on that job; use the union hiring hall to obtain workers and apprentices; pay union wages and benefits; and follow the union's restrictive rules, job classifications, and arbitration procedures.

These restrictions would apply at the expense of a contractor's or subcontractor's usual team of workers. They would apply in States that may have low numbers of unionized construction workers, even if it meant denying jobs to local, in-State workers and required bringing in employees from out of State. Finally, the restrictions in a union-only PLA would apply even though only 13 percent of our private construction workforce belongs to a construction labor union, and therefore effectively locking out almost nine of every 10 able, qualified workers.

In my home State of Louisiana, just 7.4 percent of private construction workers belong to a construction labor union. Yet, for example, if union-only PLAs are attached to the Federal construction projects helping rebuild Louisiana after the devastation of Hurricanes Katrina and Rita, Louisianans will be locked out of this important rebuilding process, making it difficult to find work and earn a decent wage; the same jobs and wages that would enable Louisiana families to return to the hurricane-affected areas and rebuild their lives in these communities. Yet, instead of enabling local folks and businesses to come together and participate in their community's renewal, PLAs will ensure that these valuable jobs will go to just a select few, mostly out-of-State union workers. It is inexcusable that local Louisiana firms and their workers would be barred from freely bidding on construction projects in their own town or parish. And this is

just one example of the harmful consequences associated with PLAs.

In sum, the Federal Government should not be in the business of taking taxpayers' money to fund projects that exclude more than four out of five workers, making these projects discriminatory, anticompetitive, and unnecessarily expensive. At the very least, taxpayers should be able to bid and work on projects that they are funding with their own hard-earned dollars. Construction workers should have the opportunity to work on projects that benefit their own communities regardless of their union affiliation. The Federal Government should maintain a neutral position and encourage full and open competition in the Federal contracting process.

Contracts should be awarded based on sound, commonsense criteria, such as quality of work, experience, and cost. Union affiliation has no place within the criteria for considering a contract bid. The best bid, by the most qualified contractor or subcontractor, should always be the winning bid.

I urge my colleagues to support this important legislation and to oppose attempts to attach union-only project labor agreements to Federal projects.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Government Neutrality in Contracting Act".

SEC. 2. PURPOSES.

It is the purpose of this Act to—

- (1) promote and ensure open competition on Federal and federally funded or assisted construction projects;
- (2) maintain Federal Government neutrality towards the labor relations of Federal Government contractors on Federal and federally funded or assisted construction projects;
- (3) reduce construction costs to the Federal Government and to the taxpayers;
- (4) expand job opportunities, especially for small and disadvantaged businesses; and
- (5) prevent discrimination against Federal Government contractors or their employees based upon labor affiliation or the lack thereof, thereby promoting the economical, nondiscriminatory, and efficient administration and completion of Federal and federally funded or assisted construction projects.

SEC. 3. PRESERVATION OF OPEN COMPETITION AND FEDERAL GOVERNMENT NEUTRALITY.

(a) PROHIBITION.—

(1) GENERAL RULE.—The head of each executive agency that awards any construction contract after the date of enactment of this Act, or that obligates funds pursuant to such a contract, shall ensure that the agency, and any construction manager acting on behalf of the Federal Government with respect to such contract, in its bid specifications, project agreements, or other controlling documents does not—

(A) require or prohibit a bidder, offeror, contractor, or subcontractor from entering

into, or adhering to, agreements with 1 or more labor organization, with respect to that construction project or another related construction project; or

(B) otherwise discriminate against a bidder, offeror, contractor, or subcontractor because such bidder, offeror, contractor, or subcontractor—

(i) became a signatory, or otherwise adhered to, an agreement with 1 or more labor organization with respect to that construction project or another related construction project; or

(ii) refused to become a signatory, or otherwise adhere to, an agreement with 1 or more labor organization with respect to that construction project or another related construction project.

(2) APPLICATION OF PROHIBITION.—The provisions of this section shall not apply to contracts awarded prior to the date of enactment of this Act, and subcontracts awarded pursuant to such contracts regardless of the date of such subcontracts.

(3) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit a contractor or subcontractor from voluntarily entering into an agreement described in such paragraph.

(b) RECIPIENTS OF GRANTS AND OTHER ASSISTANCE.—The head of each executive agency that awards grants, provides financial assistance, or enters into cooperative agreements for construction projects after the date of enactment of this Act, shall ensure that—

(1) the bid specifications, project agreements, or other controlling documents for such construction projects of a recipient of a grant or financial assistance, or by the parties to a cooperative agreement, do not contain any of the requirements or prohibitions described in subparagraph (A) or (B) of subsection (a)(1); or

(2) the bid specifications, project agreements, or other controlling documents for such construction projects of a construction manager acting on behalf of a recipient or party described in paragraph (1), do not contain any of the requirements or prohibitions described in subparagraph (A) or (B) of subsection (a)(1).

(c) FAILURE TO COMPLY.—If an executive agency, a recipient of a grant or financial assistance from an executive agency, a party to a cooperative agreement with an executive agency, or a construction manager acting on behalf of such an agency, recipient or party, fails to comply with subsection (a) or (b), the head of the executive agency awarding the contract, grant, or assistance, or entering into the agreement, involved shall take such action, consistent with law, as the head of the agency determines to be appropriate.

(d) EXEMPTIONS.—

(1) IN GENERAL.—The head of an executive agency may exempt a particular project, contract, subcontract, grant, or cooperative agreement from the requirements of 1 or more of the provisions of subsections (a) and (b) if the head of such agency determines that special circumstances exist that require an exemption in order to avert an imminent threat to public health or safety or to serve the national security.

(2) SPECIAL CIRCUMSTANCES.—For purposes of paragraph (1), a finding of "special circumstances" may not be based on the possibility or existence of a labor dispute concerning contractors or subcontractors that are nonsignatories to, or that otherwise do not adhere to, agreements with 1 or more labor organization, or labor disputes concerning employees on the project who are not members of, or affiliated with, a labor organization.